

Ord. 2021-040

Exhibit "A"

CITY OF GROVEPORT PROJECT
COMPENSATION AGREEMENT

THIS COMPENSATION AGREEMENT (the "Agreement"), made and entered into as of the ____th day of _____, 2021, is between CA Industrial Holdings, LLC, a Delaware limited liability company ("CA" or the "Company"); the City of Groveport, Franklin County, Ohio, a municipality and political subdivision of the State of Ohio ("Groveport" or the "City"); and the Board of Education of the Groveport-Madison School District, Franklin County, Ohio, a school district and political subdivision of the State of Ohio ("Groveport-Madison" or the "School District").

WITNESSETH THAT:

WHEREAS, the City Council of the City of Groveport ("Groveport"), by Resolution adopted on January 13, 1991, has previously established the Groveport Community Reinvestment Area #3 specified in that Resolution (the "CRA Area") as a "Community Reinvestment Area" ("CRA") pursuant to Ohio Revised Code ("R.C.") Sections 3735.65 - 3735.70 (the "CRA Act"); and

WHEREAS, CA desires to construct commercial facilities and related improvements (the "Project") at a site within the boundaries of the City of Groveport on Hayes Road (the "CA Ventures Hayes Road Land," which is described in Exhibit A attached hereto and incorporated herein by this reference), provided that the appropriate economic development incentives are available to support the economic viability of the Project; and

WHEREAS, Groveport has a utility agreement with the City of Columbus (Columbus) to serve the location of the Project within what is termed "Area C";

WHEREAS, the Company and the City intend to enter into a community reinvestment area agreement granting the Company certain incentives for the development of the Project Site; and

WHEREAS, the incentives in the proposed CRA Agreement include a fifteen (15) year, one hundred percent (100%) real property tax exemption for the assessed value of new structures constructed at the Project site following the first issuance of a Certificate of Use and Occupancy by the City of Groveport Building Code Department for the building for which the exemption is sought at the Project Site, commencing, for each separately identifiable real property improvement, the first year the real property improvement would first be taxable were that property not exempted from taxation and ending, at most, fifteen (15) years thereafter; and

WHEREAS, pursuant to Sections 5709.78 and 5709.82(B) of the Ohio Revised Code, the City, the Company and the School District desire to enter into this Agreement to provide compensation to Groveport-Madison for its loss of real property taxes during the CRA Agreement period;

WHEREAS, the Board of Education is considering for adoption a resolution (the "Groveport-Madison Resolution") approving the CRA Compensation Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants hereinafter described, Groveport-Madison, the Company and the City covenant, agree and bind themselves as follows:

Section 1. Approval of Compensation to Groveport-Madison while CRA Exemption in Effect.

- A. The City agrees to provide to the Company and the School District an annual report on the amount of payroll generated from taxpayers within Area C based upon income taxes collected from taxpayers within Area C. The Company and/or the School District reserve the right to audit the City's annual Area C payroll report at their own expense. The City agrees for the term of the CRA tax exemption for the first \$15 million in payroll generated in Area C, the School District would receive 50% of all income tax from the City of Groveport specific to Area C. The City and the Company agree that once there is more than \$15 million in payroll created on the site the School District shall receive a payment by the Company of \$.10 per square foot for the remainder of the tax abatement from the developer/end user of the site.

Section 2. Payment of Compensation Payments to the School Districts. On a semi-annual basis, not later than June 1 and December 1 of each calendar year, the County Treasurer will collect the PILOT payment from the Company and deliver PILOT payments to the School District. The County Auditor will calculate the amount of the PILOT payment based on the formula outlined in Section 1(A) and the County Treasurer will collect that amount from the Company. The PILOT payments will only be made by CA once \$15 million in payroll has been generated in Area C as reported by the City.

Section 3. Reconciliation of Payments. In the event Groveport-Madison wishes to reconcile the amount of any PILOT Compensation, Groveport-Madison shall request a meeting with the Company for that purpose. Within fifteen (15) days thereafter or such longer period as may be mutually agreed upon, the parties shall meet to discuss and reconcile or resolve the matter.

Section 4. Amendment; Change of Law. If during the term of this Agreement there is a change of law changing the financial effects of this Agreement on Groveport-Madison (including changes in law for the State Foundation Payment formula) or procedure is substantially modified, replaced, or eliminated, the parties agree to meet to consider those changes and their effects and possible amendments to this Agreement to take those changes into account to establish a revised compensation amount that will keep Groveport-Madison in substantially the same financial position as if such formula or procedures were not substantially changed. This Agreement may be amended or modified by the parties only in writing, signed by the parties to the Agreement.

Section 5. Notices. All notices, designations, certificates, requests or other communications under this Agreement shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed to the following addresses:

If to Groveport-Madison: Groveport-Madison School District
District Service Center
Groveport, OH 43125
Attn: Felicia Drummey, Treasurer

If to CA: CA Industrial Holdings, LLC
130 E. Randolph St.
Chicago, IL 60601
Attn: Jim McGill

With a copy to: David J. Robinson, Attorney at Law
100 East Broad Street, Suite 1340
Columbus, Ohio 43215
Attn: David J. Robinson, Counsel

If to the City: City of Groveport
655 Blacklick St.
Groveport, Ohio 43125
Attn: Benjamin J. King
Administrator

Groveport-Madison, the Company, and the City may change their address for receiving notices and reports by giving written notice of such change to the other.

Section 6. Severability. Should any portion of this Agreement be declared by the courts to be unconstitutional, invalid or otherwise unlawful, such decision shall not affect the entire agreement but only that part declared to be unconstitutional, invalid or illegal.

Section 7. Filing of Agreement. The Clerk of Council shall file an executed copy of this Agreement with both the County Auditor and the County Treasurer.

Section 8. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party to this Agreement may execute this Agreement by signing any such counterpart.

Section 9. Assignment. This Agreement and the benefits and obligations hereof are not transferable or assignable without the express, written approval of the City, which approval shall not be unreasonably withheld or delayed; provided, however, that the City agrees not to withhold its approval of such transfer or assignment so long as any transferee or assignee files with the City an assumption agreement wherein such transferee or assignee, inter alia, (i) assumes all obligations

of an Owner under this Agreement with respect to one or more Buildings and (ii) certifies to the validity of the representations, warranties and covenants contained herein as to such transferee or assignee. For each Assumption Agreement filed with the City, a \$1000 assignment fee shall be due to the City within 30 days after the complete execution of that Assumption Agreement.

WHEREFORE, the parties hereto, each by a duly authorized representative, have entered into this Agreement on the date first set forth above.

CA INDUSTRIAL HOLDINGS, LLC, A DELAWARE LIMITED
LIABILITY COMPANY

By:

By: _____

Title: _____

CITY OF GROVEPORT, OHIO

By: _____
City Administrator

BOARD OF EDUCATION OF THE GROVEPORT-MADISON
SCHOOL DISTRICT

By: _____
President

APPROVED AS TO FORM

By: _____
Treasurer

EXHIBIT A

Property Description/Map

The Exempted Property is the real estate situated in the City of Groveport, County of Franklin and State of Ohio identified as “CA Ventures Hayes Road Land” on the map below, and identified by the Franklin County Auditor for tax year 2020 as parcel numbers 180-005409-00 and 180-005408-00.

